35. Economic depression and remedies therefor.

MR. V. D. VARKEY (*Kottayam taluk, Group II*) said that owing to the prevailing economic depression the prices of local products such as pepper, ginger, cocoanut, *copra*, tea and rubber were very low and consequently the agriculturists, merchants and manufacturers were enduring great financial difficulties. One direct result of this state of affairs was that the daily labourer found it difficult to earn his livelihood. To remedy this, the member made the following suggestions:—

(1) All sanctioned public works as well as those that are absolutely necessary should be taken up immediately. This would provide labour for a large number of people.

(2) The construction of the Quilon-Ernakulam railway which was surveyed four or five years back should be started without delay. The money required might be obtained on loan from the Devaswoms in the State or from companies outside the State or the work might be left, on specified conditions, in the hands of any company. The proposed railway would be of immense benefit to the State and to the Cochin Harbour.

(3) The time for paying land tax and income tax should be extended. The fees in schools should be reduced at least for a time.

(4) Public expenditure should be cut down by reducing the number of departmental educational institutions and encouraging the increase of grant-in-aid institutions and also by abolishing as many offices as possible.

DEWAN'S REPLY: At the present moment, we are doing our best, Mr. Varkey, by extending the time for payment of land revenue to help the ryots.

But, income tax is a different matter; time for payment of that cannot be extended.

The estimate for the Quilon-Ernakulam railway extension is ready, but it involves a very large outlay as many rivers have to be bridged over. Further, at present, the rate of interest for borrowing money is very high on account of the tightness of the money market. That scheme must therefore wait.

The execution of public works is generally carried on as quickly as possible; but at the moment everything has to be delayed to a certain extent owing to financial stringency. As far as possible, we try to get through the programme.

36. Some suggestions for meeting the present economic depression.

MR. K. T. MICHAEL (*Changanachery taluk, Group I*) said that Travancore was with the rest of the world passing through a period of economic depression. The merchants became insolvent and the average ryot was unable to pay the tax due on his land and consequently his land was attached and sold. The proper administration of

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